

AGENDA SUMMARY PAGE

AUDIT OVERSIGHT COMMITTEE MEETING OF: APRIL 19, 2007

DEPARTMENT: CITY AUDITOR'S OFFICE

DIRECTOR: RADFORD SNELDING

☐ Consent ☒ Discussion

SUBJECT:

Discussion and possible action on Audit of Metropolitan Police - Funding

Fiscal Impact

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No Impact

☐

Augmentation Required

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Budget Funds Available

Amount:

Funding Source:

Dept./Division:

PURPOSE/BACKGROUND:

To discuss possibility of performing a joint audit with Clark County on the funding of the Metropolitan Police Department.

RECOMMENDATION:

Remove from Audit Plan.

BACKUP DOCUMENTATION:

None

Motion made by PAUL WORKMAN to Approve and accept the report with direction to staff to gather more information and report back to the committee with estimates for scope of work and costs

Passed For: 4; Against: 0; Abstain: 0; Did Not Vote: 0; Excused: 1

JOSE TRONCOSO, LARRY BROWN, MICHAEL W. KERN, PAUL WORKMAN; (Against-None); (Abstain-None); (Did Not Vote-None); (Excused-STEVE WOLFSON)

Minutes:

Mr. Snelding explained the objectives of this audit were to review the funding formula utilized by Metro in assigning the portions of their budget to be paid by the various governmental entities within Clark County.

When starting this audit, staff met with representatives of Metro and gathered some preliminary data. Prior to commencing fieldwork, Metro representatives stated that they wanted Clark County to be involved in this audit so as to alleviate a conflict should the audit determine that either the County or the City paid a disproportionate share.

Mr. Snelding had previously contacted Jerry Carroll, County Auditor, who stated that the County would like to participate in an audit. Mr. Snelding suggested that an independent audit firm

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provide the services. That firm would be given an audit program developed by both the County and City Auditors. The fee for the audit would be shared between the entities.

Mr. Carroll recently said he would check with his Finance Department to see if they could participate in the audit. Mr. Snelding stated he would notify the committee once he hears the final determination from Clark County. He noted that he may not have enough money in his budget to proceed with this audit because of the expense of contracting out. He will keep the committee apprised of that issue.

Vice-Chair Brown recollected that what initiated discussion on this item was a desire to find a comfort level with the formula and be assured it is consistent. Mark Vincent, Director, Finance and Business Services, stated the formula is set by NRS and it is slightly complicated. It relies on statistical information such as calls for service, felony arrests etc. It is important to assure the proper jurisdiction is being credited for those calls for service. That is important because different factors apply to different portions of Metro's budget. Changing demographics produce different results in Metro's budget. Of the last four years statistics have been in our favor. Our percentage points have shrunk 4 points in the last 7 years.

Mr. Snelding could not estimate costs on this audit. He did confirm the outside audit firm will be found through a Request for Proposal (RFP). Chairman Kern asked if this requires approval by City Manager's Department or Finance and Business Services Department. Mr. Snelding said the cost would determine who would have to get involved.

Chairman Kern stated he did not think the committee should approve moving forward if other departments need to review and approve estimates first. He also directed Mr. Snelding to prepare a budget estimate regarding man hours required to complete such an audit if it were done by City personnel. Mr. Snelding said the first step is to find out if the County can participate. Mr. Snelding promised to keep the informed on the status of this item.

Chairman Kern disclosed, as he has done in the past, that he was the campaign treasurer for the sheriff. He wanted to make sure everyone was aware of that relationship as the matter comes before the committee. Deputy City Attorney Teresita Ponticello stated there is no need for disclosure at this time. If there is an issue of conflict in the future it will be addressed at that time.

Mr. Snelding also added that one of the concerns by staff early in this process related to the integrity of the data. He asked that the outside audit firm hired for this, should it come to fruition, be allowed to look into that aspect as well.